

## **EXHIBIT AA**

ACTION BY UNANIMOUS WRITTEN CONSENT  
OF THE DIRECTORS OF READING BROADCASTING, INC.

The undersigned, being all of the Directors of Reading Broadcasting, Inc. a Pennsylvania corporation (the "Corporation"), acting pursuant to Section 1727(b) of Title 15 of the Consolidated Statutes of Pennsylvania, hereby adopt, by this Unanimous Written Consent, the following resolutions with the same force and effect as if they had been unanimously adopted at a duly convened meeting of the Board of Directors of the Corporation, and direct that this Unanimous Written Consent be filed with the minutes of proceedings of the Directors of the Corporation:

RESOLVED, that all resolutions adopted, all actions taken and all documentations executed and/or delivered by (a) Mike Parker, Robert Clymer, Irvin Cohen, Frank McCracken and Meyer C. Rose acting as the board of directors of Reading Broadcasting, Inc. (the "Corporation") (collectively, the "Parker Board"), (b) Mike Parker acting as President or Executive Vice-President of the Corporation, (c) H. Marvin Mercer, III, acting as Secretary of the Corporation, and (d) the holders of Stock Certificates Nos. 2-43 and/or 1A-50A issued by the Corporation, acting collectively as the shareholders of the Corporation ("New Shareholders"), be and hereby are ratified, adopted, approved and confirmed and declared to be binding and enforceable obligations and/or legally effective acts of the Corporation in accordance with any respective terms and provisions thereof, including without limitation:

(a) the issuance by Mike Parker of the shares of New Common Stock to the New Shareholders, as represented by Certificates No. 2-43 as amended by Certificates 1A-50A, pursuant to the Corporation's Fourth Amended Plan, as modified, and the August '91 Resolutions (as defined in the Settlement Agreement, dated as of September 30, 1992) by and among the Corporation; Krusen Evans & Byrne; Astor, Weiss & Newman; Partel, Inc.; Mike Parker; H. Marvin Mercer, III, Esq.; Robert Clymer, M.D.; Rev. Frank McCracken; the Honorable Meyer C. Rose; Irvin Cohen; Jack Linton, Esq.; Henry N. Aurandt, M.D.; Helen N. Aurandt; Linton & Giannascoli, P.C.; Linton, Giannascoli & Dorko, P.C.; Roland & Schlegel, P.C.; STV Reading, Inc.; Linton Parties; Aurandt Parties; Parker Parties and the Aurandt Trust (the "Settlement Agreement");

(b) the call of the Special Shareholder Meeting held on October 30, 1991 by Mike Parker and the granting of notice of the same by Parker;

(c) the actions taken by the New Shareholders at the Special Shareholders Meeting including the election of the Parker Board as the Board of Directors of the Corporation and the removal of the Aurandt Board (as defined in the Settlement Agreement;

(d) the election of Mike Parker as President of the Corporation and H. Marvin Mercer, III as Secretary at the October 30, 1991 meeting of the Parker Board;

(e) the execution by Mike Parker as President of the Corporation and/or by H. Marvin Mercer, III as Secretary (or Counsel for) the Corporation of the Meridian Documents (as defined in the Settlement Agreement) and all actions of the Parker Board authorizing the same;

(f) the call, notice and holding on February 4, 1992 of the 1992 Annual Shareholders Meeting by Mike Parker;

(g) the actions taken by the New Shareholders at the 1992 Annual Shareholders Meeting including the election of the Parker Board as the Board of Directors of the Corporation and the approval of certain amendments to the Corporation's Articles of Incorporation; and

(h) the election of Mike Parker as President of the Corporation and H. Marvin Mercer, III as Secretary at the February 4, 1992, meeting of the Parker Board.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of Reading Broadcasting, Inc. have executed this Unanimous Written Consent as of the thirtieth day of September, 1992.

\_\_\_\_\_  
Mike Parker

\_\_\_\_\_  
Robert Clymer, M.D.

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Irvin Cohen

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Rev. Frank McCracken

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Hon. Meyer C. Rose

OCT-05-1992 11:37 FROM HAMPTON INN SB32 TO  
FROM : READING BROADCASTING, INC. FILE NO. : 215 9219139

12159250218 P.02  
OCT.05 1992 2:35PM FOR

10-05-92 04:29PM FROM KROUSE STANS & TYNE TO 9219139

P005/006

(d) the actions taken by the New Shareholders at the Special Shareholders Meeting including the election of the Parker Board as the Board of Directors of the Corporation and the removal of the Auraland Board (as defined in the Settlement Agreement);

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(i) the election of Mike Parker as President of the Corporation and H. Marvin Mercer, III as Secretary at the February 4, 1992, meeting of the Parker Board.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of Reading Broadcasting, Inc, have executed this unanimous written Consent as of the thirtieth day of September, 1992.

  
Mike Parker

Robert Clymer, M.D.

Kevin Cohen

10-05-92, 04:29PM FROM KRUSEN EVANS & BYRNE TO 9219139

P005/006

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\_\_\_\_\_  
Mike Parker

  
\_\_\_\_\_  
Robert Clymer, M.D.

\_\_\_\_\_  
Irvin Cohen

From : READING BROADCASTING, INC.  
From : READING BROADCASTING, INC.

PHONE No. : 215 9219139  
PHONE No. : 215 9219139

Oct. 08 1992 1:54PM P82  
Oct. 06 1992 9:20AM P82

05-92, 04:28PM FROM KRUSEN EVANS & BYRNE TO 9219139

P005/006

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\_\_\_\_\_  
Mike Parker

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Robert Clymer, M.D.

  
\_\_\_\_\_  
Irvin Cohen

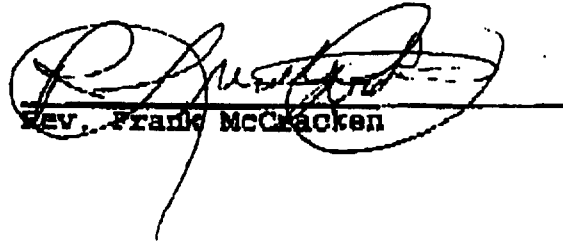
READING BROADCASTING, INC.

PHONE No. : 215 9219139

Oct. 09 1992 1:35PM P02

10-05-92 04:29PM FROM KRUSEN EVANS & BYRNE TO 9219139

P006/006



Rev. Frank McCracken

Hon. Meyer C. Rose



Rev. Frank McCracken

Meyer C. Rose  
Hon. Meyer C. Rose

## **EXHIBIT BB**

MINUTES OF A MEETING OF  
OF THE BOARD OF DIRECTORS OF  
READING BROADCASTING, INC.

Pursuant to a written Waiver of Notice, a meeting of the Board of Directors of Reading Broadcasting, Inc. was held on January 25, 1990 at 5:30 p.m. at the corporate offices located at 1729 North 11th Street, Reading, Berks County, Pennsylvania.

Present were:

Edward Fischer, M.D.

Henry N. Aurandt, M.D.

Jack A. Linton

Micheal Parker

in person and Robert Clymer, M.D. by telephone.

The Directors signed a written Waiver of Notice of the holding of the meeting.

Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the executed waiver be filed with the records of the Corporation and made a part of the minutes of this meeting.

The President announced that the meeting was duly convened and that the meeting was ready to transact such business as may lawfully come before it.

Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the minutes of the meeting of January 11, 1990 were approved as modified on motion of Edward Fischer, M.D. and seconded by Henry N. Aurandt, M.D. and unanimously approved.

Henry N. Aurandt, M.D. was nominated by the Board as President, Micheal Parker was nominated as Executive Vice President and Jack A. Linton was nominated as Secretary. There were no further nominations.

Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that Secretary was directed to cast a unanimous ballot electing the individuals nominated to the respective offices for which they were nominated.

Micheal Parker indicated that Dr. Aurandt and Mr. Parker had attended a meeting with Doug Gursky of Meridian Bank. The basic tenor of the meeting was that the Bank made a verbal commitment to accept Five Hundred Thousand Dollars (\$500,000.00) cash and finance One Million Five Hundred Thousand Dollars (\$1,500,000.00) over seven (7) years. It was discussed as to whether or not to accept this proposal or make a counter-proposal. It was also discussed that the Bank would consider a cash out of somewhere between One Million and One Million One Hundred Thousand Dollars. The Bank also agreed to withdraw its objection to FCC Counsel, Schnader Harrison so that we can proceed with due dispatch with respect to the Tower Site, etc. Also discussed at the meeting was Partel's contract which will require the preparation of stipulation by our Bankruptcy Counsel Allen Dubroff and Joe Lewis, Esquire. Apparently Partel's contract will be for a six month period as an administrative expense and thereafter not as an administrative expense. The other changes in the Agreement requested by Reading Broadcasting,

Inc., i.e. that the dilution of Partel's interest in Reading Broadcasting, Inc. will be the same as all other stockholders as well as the fact that the Golden Parachute of \$250,000.00 will remain. A great deal of discussion was held regarding performance criteria and it was decided that the existing performance criteria would be modified after discussions between Dr. Aurandt, Mr. Parker and perhaps the company's accountant, Beard & Co. Mr. Parker also indicated he had renegotiated the Cash Collateral account with the Bank to reflect payments of \$7,000.00 in January, February and March and \$8,000.00 in April, \$9,000.00 in May and \$10,000.00 in June. It was also discussed that the Bank will take interest only on any deal that is agreed upon during the pendency of the construction of the tower, i.e. until the tower is operational. The Tower Management Site Concept was approved by the Board. Mr. Linton and Mr. Parker will conduct negotiations on behalf of the Corporation.

Mr. Parker then presented a copy of the Lease between Red Oak Properties and Reading Broadcasting, Inc. for the premises at 61-5 Mint Tier, Laurel Springs, Exeter, Pennsylvania 19606 which called for a rental of \$725.00 per month for a term of one year, beginning February 1, 1990 and ending January 31, 1991.

Upon motion of Jack A. Linton and seconded by Henry N. Aurandt, M.D. it was

RESOLVED, to approve the Corporation's entry into the Lease Agreement with Red Oak Properties and the appropriate corporate officers be and are hereby directed to execute same on behalf of the Corporation.

Mr. Parker then presented a procedure for reimbursing Partel, Inc. for expenses incurred. After reviewing the concept of reimbursement as set forth in Exhibit "A" attached, it was approved by consensus of the Board.

Mr. Parker then reported that the Agreement with Rev. Scott's company had been forwarded to Rev. Scott for review.

Mr. Parker then brought before the Board the question of utilizing Reading Broadcasting, Inc. personnel for the conduct of Partel's business since Mr. Parker indicated that the time he was expending on Reading Broadcasting's behalf was far in excess of what he had contemplated. It was decided that Mr. Parker could use Reading Broadcasting, Inc.'s personnel on a trial basis with Mr. Parker keeping an accurate record of the time Reading Broadcasting, Inc.'s employees were being utilized for Partel, Inc. affairs.

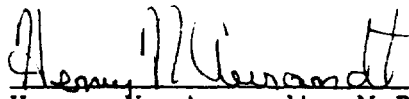
Mr. Parker was to report back to the Board in approximately one month to demonstrate to the Board how much use had been made of Reading Broadcasting, Inc.'s employees with respect to Partel, Inc.

THERE BEING NO FURTHER BUSINESS, to come before this meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

  
Secretary

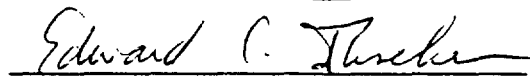
WAIVER OF NOTICE OF A MEETING OF  
THE BOARD OF DIRECTORS OF  
READING BROADCASTING, INC.

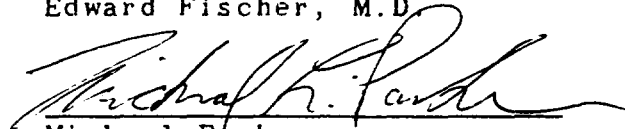
THE UNDERSIGNED, being the Directors duly elected by  
the Shareholders of Reading Broadcasting, Inc., do hereby  
waive notice of the meeting of the Board of Directors to be  
held on January 25, 1990 at 5:30 p.m. at the corporate  
offices located at 1729 North 11th Street, Reading, Berks  
County, Pennsylvania.

  
Henry N. Aurandt, M.D.

  
Jack A. Linton

  
Robert Clymer, M.D.

  
Edward Fischer, M.D.

  
Micheal Parker

## EXHIBIT CC



2/19/91

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF READING  
BROADCASTING, INC.

A meeting of the Board of Directors of Reading Broadcasting, Inc. was held on Tuesday, February 19, 1991 at 7:00 PM at the offices of the Corporation located at 1729 North Eleventh Street, Reading, Berks County, Pennsylvania.

Present were:

Henry N. Aurandt, M.D.  
Robert Clymer, M.D.  
Edward Fischer, M.D.  
Jack A. Linton, Esquire  
Micheal Parker

representing all of the Directors of the Corporation.

Also present were:

H. Marvin Mercer, III--Bankruptcy Attorney (Krusen, Evans & Byrne)  
Barbara Williamson--WTVE-TV 51 (Office Manager)  
George Mattmiller--WTVE-TV 51 (Station Manager)

Sean Egan of Legg Mason Wood Walker, Inc. would later join the meeting with an update of Legg-Mason's progress in lining up potential investors.

Mike Parker stated that included in the Directors' packets were Minutes of the following meetings:

- \*May 23, 1990
- \*June 6, 1990
- \*October 17, 1990
- \*November 7, 1990 (Shareholders' Meeting)
- \*November 7, 1990 (Board of Directors' Meeting)

Mike Parker requested that the Minutes from these Meetings be approved.

Jack Linton preferred that he first have the opportunity to review the Minutes as he is just now receiving his packet.

Mike Parker stated that he understood Jack Linton's position, and requested that the Minutes be approved, subject to Jack Linton's review.

Upon motion duly made by Robert Clymer, M.D. and seconded by Edward Fischer, M.D., and unanimously carried, it was

RESOLVED, that the Minutes from the previous Meetings of May 23, 1990, June 6, 1990, October 17, 1990, and November 7, 1990 (both the Shareholders' Meeting and the Board of Directors' Meeting) are hereby approved, subject to any revisions, modifications, or objections that will be raised at the next Directors' Meeting.

1. Mike Parker began to update the Directors on the Finance Committee Report. Barbara Williamson, from WTVE-TV 51, was introduced to the Directors. It was explained that Barbara was present this evening to provide the Directors with an update of the Corporation's current finances and to field any questions that they may have.

It was explained that when Shelley Bendetti commenced her maternity leave, Barbara took over her duties in the Accounting Department.

Mike Parker then began to explain the process in which overdue tax bills are being paid off, as explained in the memo of February 12, 1991.

Some of the back taxes, it was explained, date back to 1986. All of these taxes are now paid, with the exception of two years worth of assessments regarding the Business Privilege Tax. These are being paid off in nine monthly installments, as agreed to and signed off by the appropriate tax department. Also, terms are being worked out to pay off the school tax. Other than those two instances, though (in which payment schedules have already been approved), the Corporation is current as far as taxes go.

Dr. Clymer stated that he had no knowledge of these unpaid taxes. He said that something like this would never have occurred if the Corporation was using the services of a good accounting firm. He stated that a good accounting firm, with so many taxes that need to be paid and could theoretically be neglected, would give timely notice that these taxes were due.

Dr. Aurandt then brought up the point about the certified letter that was sent him, but which he was never notified about. He stated that this letter was just signed off for by somebody at the front desk and then put away in a file. He couldn't comprehend how this sort of a thing could have occurred, with all the ramifications it entailed--not just in this instance, but there were other important letters that he wasn't made aware of until later because they were just put in his box without notifying him.

It was then stated that steps have been taken to correct this sort of thing from occurring again. Included in these points are:

- \*All mail is now date-stamped when it arrives at the station
- \*Any certified mail addressed to Dr. Aurandt is sent by fax and then mailed to him--including other important documents and letters (other than magazines and junk mail)
- \*Beard & Company is now preparing all tax reports, ensuring that this sort of thing doesn't occur again

Mike Parker stated that as soon as these delinquent tax payments were discovered, they were either all paid, or payment schedules were arranged, within 24 hours.

Dr. Clymer stated that it was fortuitous that this occurred during a month in which the Corporation was financially able to pay off as many of these taxes as it did.

Dr. Aurandt demanded that the system be changed so this won't happen again. The station just can't be keeping this sort of mail from him, especially something as severe as this registered letter--and that was eight months ago. And there have been other letters that he hasn't received in a timely fashion.

Other Directors concurred that the mail system must be altered to prevent a reoccurrence of this sort of error.

Mike Parker stated that the system has been gone over regarding Dr. Aurandt's mail with the appropriate station personnel.

Jack Linton wanted to be certain that the Corporation was all current and paid in regards to the 941 tax.

There is the potential of a 100 percent penalty assessed against the Corporation if the payments are not current.

Mike Parker stated that Beard & Company can go back and look at the returns for the last two years.

Jack questioned whether the taxes were fully reported for the two years in which the Corporation was delinquent.

Barbara stated that every tax bureau on the memo in the Directors' packet has been called and they have told the Corporation what it owes from what quarters.

A discussion about check signing ensued. Dr. Aurandt and Jack Linton have check signing powers.

Jack Linton said to call him with any tax questions involving the City. He is the City Solicitor and can guide station personnel in the proper direction.

The next point of discussion was the 1991 Sales Journal.

These, it was pointed out, were actual sales that were booked.

Dr. Clymer wanted to clarify the fact that these were "true" sales and that work had actually been performed on them.

Mike Parker stated that this was correct. Adjusting entries have been made in the books for sales that were previously booked incorrectly.

Even with the adjusting entries, the station still billed over \$65,000.00 in January of 1991.

An update of the Pehlman contract followed. It was still on the books because the dubs will be made. It constitutes work in progress.

Beard & Company will also be furnishing end-of-month financial statements. Because they need about 15-20 days after the General Ledger comes out, in addition to needing a bank statement to reconcile against, their monthly financial statements will come out roughly one month behind.

To date, \$34,799.00 has come in during February of 1991, including \$2,200.00 today.

Mike Parker stated that the cash receipts for January constituted an "excellent" month.

An update of the Tall Tower rental income followed.

Mike Parker stated that tower rental income has increased substantially from what it was one year ago. Though some tenants have not renewed, rental income has still increased.

The question was raised about the monies for tower rental which the station receives from Tall Tower. Is their commission taken out by the station, or is it net?

The checks from Tall Tower which the station receives are net, they have already had Tall Tower's commission taken out.

Jack Linton had a question about what time of the month the Home Shopping Network checks were received.

It was stated that January's sales total reflected the receipt of three HSN checks.

Dr. Clymer pointed out that even if the station had only received two checks from Home Shopping Network in January, it would have been the station's best month to date.

Mike Parker updated the Directors on the Accounts Receivable status. Letters have already been sent out to companies that are past due with payments. The letters state that if those companies don't pay promptly, or arrange for a payment schedule with the station, they will be turned over to a collection agency. He further stated that next week, anyone who hasn't paid or arranged for a payment schedule will be turned over to a collection agency.

The only account 120 days past due that will be exempt from this is B.M.I. receivable. That will be forthcoming when they figure out their advertising expense. No payments will be made in the interim.

Accounts Payable were then discussed.

Dr. Clymer suggested lining out a n/15, n/30, and deferred payment schedule.

For instance, bills such as renewal dues for the Chamber of Commerce will be paid, but no one can be certain when at this time. The same applies to taxes.

Mike Parker pointed out that when the "bottom line" is considered, Trade Payables have diminished significantly over the last three months and the Corporation is almost at the point where it can start thinking about paying off some of its Administrative Creditors.

Dr. Fischer questioned what the Corporation's status out of bankruptcy was.

It was stated that though the Corporation is out of Chapter 11, it is still keeping up with its monthly payments of \$6,000.00 to the Cash Collateral Account at Meridian Bank.

Marvin Mercer stated the Corporation doesn't have an agreement past confirmation.

The next point of discussion was the 1991 Check Register.

As the Directors could see on the sheet which was furnished them, the checks which were writting for February of 1991 are listed by number. This is where non-payroll expenses are paid.

Dr. Clymer stated that members of the Finance Committee have gone through the expenses carefully--questionning each item. It was decided to pay some of the Trade Creditors off in order to generate some goodwill--such as the company who mows the grass--instead of some of the larger companies.

It was stated that this line of reasoning has put the Corporation's Trade Account payables in "pretty good shape".

The next point of discussion was Payroll.

Dr. Clymer stated that the Corporation was in a better financial position than ever before.

Jack Linton questioned how that could be?

It was stated that so far as cash flow, decreased Trade Account payables, and meeting Met-Ed payments, the Corporation is starting to get its finances within manageable bounds.

The Beard & Company financial statements were next discussed.

There are two elements to the Beard & Company financial statements:

1. Transactional Journal--with subcategories for when expenses occurred
2. General Ledger Statement--which ties out with the Check Register, all transactions in the Checkbook, Petty Cash, Amortizatin, and interests payments with the Bank

All of these elements must balance, and they do.

Also included will be:

- \*The date of confirmation and the entry of the order
- \*Debt forgiveness
- \*Changes for cents on the dollar being offered
- \*All elements reflected in the pre-bankruptcy status

When the new statements come out, they can be audited. The Corporation has now reached the point with all of the adjusting entries that it will have a clean set of books coming out of Chapter 11.

Mike Parker stated that he and Dr. Clymer met with Nelson Long from Beard & Company earlier in the day. After reviewing the year-end books for 1990, the bottom line is that the Corporation lost \$142,682.53 in 1990.

That includes on Page 7 of the General Ledger the accrual of interest, depreciation, and amortization.

Mike Parker next stepped the Directors through Partel's expenses.

Jack Linton questioned why some expenses are paid and others are not.

It was explained that the expenses being paid are those on a cash basis.

Jack Linton asked what about him, what about Marvin. Jack Linton never agreed not to be paid. He stated that it appears as though the expenses are being distorted in the way that some of them are elected to be paid while others are not.

It was explained that the Corporation lost over \$140,000.00 in 1990.

The question was then raised how was there any money left to carry over.

. discussion ensued about how this works with a cash basis system.

Mike Parker tabulated how much was owed Partel, Inc. to date, including expenses. He stated that the Corporation owed Partel \$35,362.65.

Dr. Clymer computed that Partel actually charges about \$120.00 per day for its services. Their expenses, during those times when they're here, average about \$400.00 per day. Dr. Clymer stated that anybody could quarrel with that figure, but most consultants run up expenses.

The question was raised about the modified Compensation Agreement.

Dr. Clymer stated that this involved the expense level.

Mike Parker stated that the Corporation met it.

Dr. Fischer asked what was over and above that level.

Dr. Clymer stated that expense level exceeded the income level long ago.

Mike Parker stated that there has never been any deviation from he agreed upon \$56,000.00 income and expense level.

A discussion of the provision in the Compensation Agreement was discussed. It was stated that the Corporation spends all the money it ever takes in, so it's not even close.

A discussion of Partel's expenses for 1990 and 1991 ensued. It comes to approximately \$63,000.00.

It was pointed out that these expenses are not just for Mike Parker, but for Linda Hendrickson as well.

Mike Parker explained that most of it is for transportation. He explained cost-cutting measures for pre-booking flights.

Mike Parker requested a motion for the expense formulas to be approved.

Jack Linton requested that this motion be deferred until he has had sufficient time to review it.

Mike Parker suggested they do it the same way as with the minutes. If there are any modifications, revisions, or objections, they will be made at the next meeting.

Jack Linton stated that in previous meetings, Directors had received their packets in advance. If he had received this information in advance of the meeting, he would have had the opportunity to review it.

Dr. Clymer agreed with this.

Dr. Aurandt questioned the figure for accrued interest on Page 5 of the General Ledger. The figure of \$2.0 million for accrued interest is the total since the Corporation started.

Dr. Clymer requested expense vouchers with receipts that can be clipped with explanations of business expenses.

Jack Linton had a question about Partel being paid on the rental of equipment. He asked how that differed from Marvin and himself getting paid.

Dr. Clymer explained that equipment such as this are things the Corporation needs to stay in business.

Jack Linton asked what it took to stay in business--but chose to defer the discussion until later in the evening.

2. Mike Parker began a discussion about the three pieces of property under consideration for the relocation of the tower and transmitter site.



Brenda Groff has been paid \$2,500.00, but the property has not been purchased. This is the land on which the permits are now.

The papers for the Trout Property were signed. But when they went to survey it, the property was approximately one mile from where everyone thought it was. This was due to a false deed. Ken Nyce still has the downpayment.

Gibson White, Reading Broading, Inc.'s Chief Engineer, has stated to Mike Parker that a parcel on the Garber property on Fancy Hill near the MCI tower would be ideal. An all-weather road already goes to it now. There is already accessible power from Met-Ed.

Mike Parker has met with Mr. Garber. He called back today with a 25-year lease for an acre of land at \$12,000.00 per year. Mike Parker will call him back and offer \$6,000.00.

Dr. Fischer asked if this property can be located so it doesn't become like the Trout property.

Mike Parker stated that they have the exact location of this property.

A discussion ensued regarding lease payments for the land and how they compute with Business Plan projections.

3. A discussion of the Tall Tower projections and contracts ensued.

Mike Parker stated that Tall Tower has gone through all the leases, including those leases which were renegotiated for a higher figure and those which cancelled. The projections for 1991 show an increase of \$9,000.00 in revenue over what was received in 1990.

It was stated that there are three leases to approve tonight:

- \*Master Page, Inc.
- \*Tri-State Radio Corporation
- \*Message Center

They are standard forms that Jack Linton's office has already approved.

Jack Linton stated that they are licenses, not leases.

Upon motion duly made by Dr. Clymer and seconded by Dr. Aurandt, and unanimously carried, it was

RESOLVED that the renewal for the license agreements of the three tenants, Master Page, Inc., Tri-State Radio Corporation, and Message Center are hereby approved.

Jack Linton raised a question about Temple University moving to another site. He suggests that Gibson White, R.B.I.'s Chief Engineer, check into what sort of an impact this will have on Motorola.

A discussion involving Swank Electronics and what needs to be done ensued.

Dr. Clymer requested that this discussion be deferred.

Mike Parker stated that to date, the Public Broadcasting entity at the tower site had been paying for all the electricity that R.B.I.'s tenants were using. They request that R.B.I. takes the monthly payments over.

Mike Parker stated that Tall Tower will bill the sublessors for their pro-rata share. The new license agreements have provisions to do so.

4. The next point for discussion was a testimonial letter about Channel 22 in Pittsburgh selling recently for \$17.0 million.

Mike Parker explained that he was including this to show Directors the value of an independent television station in the nation's 17th-largest market. And this is its current value, not during bloated times.

5. A discussion ensued regarding the Condo lease.

Mike Parker stated that R.B.I. has had the condo for one year. He has arranged to pay one additional month of rent so they'll always have it in advance.

Mike Parker requested a motion for the approval of another one-year lease.

Jack Linton deferred until the next meeting.

6. Marvin Mercer began a discussion of the Bankruptcy Deadlines Report.

Copies of the Report were distributed to the Directors.

Jack Linton stated that if the Corporation doesn't make it past the March 6, 1991 deadline, everything else is meaningless.

Dr. Aurandt questioned some of the calculations of dates, including January 10, 1991.

Marvin Mercer stated that there were only three elections to take back out of Class F.

Dr. Aurandt asked if anyone from STV had elected to take stock.

Mike Parker stated that they didn't have a choice. The only ones with a choice were Class F. They all made that election at the meeting.

Dr. Aurandt questioned notification not going out until after 1/10/91.

Marvin Mercer stated that everyone received a notice that the Hearing was scheduled for 1/8/91.

7. At this point, Sean Egan from Legg-Mason arrived at the meeting to update the Directors on the progress that had been made on lining up prospective investors.

Sean Egan stated that over 75 interested parties have been contacted. Approximately 50 Business Plans have been distributed. There are a handful left that are interested:

1. A group in the business of producing and marketing "informercials"--which the station will test market 3 half-hour on 2/24/91
2. A General Financial group out of Philadelphia, whose Sr. Account Executive has some broadcast experience
3. Another group that has expressed interest--more will be ascertained later this week

o other investors have shown interest, but they can't be considered contenders at this point:

1. A group owner of other Home Shopping Network properties, but he is difficult to negotiate with
2. Roberts Broadcasting out of St. Louis is interested in the license only and won't pay more than \$1.0-1.5 million--only enough to satisfy Meridian Bank and that is it

Sean Egan stated that after having spoken with his colleagues, it appears that R.B.I. has about a 25 percent chance of getting the deal done for the initial \$4.5 million.

Mike Parker stated that Grahm Humes said that the deal had a 50 percent chance of getting done.

Sean Egan stated that is even higher than that. It doesn't make any sense for the Corporation to be liquidated. No one is certain about any of this. Legg-Mason continues to scour the market. Three Business Plans were sent out last week. They are also working with a New York firm that specializes only in broadcast properties.

Jack Linton asked about the March 6, 1991 deadline, and how violate it was.

Marvin Mercer stated that if R.B.I. needs an extension, then the Bankruptcy Court must be informed that it is "material" and that it is necessary to rebalot classes.

A discussion about securing Meridian Bank's approval ensued. It was agreed that R.B.I. must have a firm direction of where it's going in advance of March 6, 1991.

Sean Egan stated that the prospective investors are aware of the deadline. The goal is to start a bidding war and take the best offer that comes out of it.

Mike Parker stated that there are three parties that are going to be making decisions--Legg-Mason, Partel, and Meridian Bank. If the \$4.5 million isn't forthcoming, these parties will have to take less than what they initially were asking for. Meridian Bank will be forced to agree with lesser terms out of the need for self-preservation.

Dr. Fischer questioned the deadline. He stated that the March 6, 1991 date is a deadline, but now Marvin Mercer was saying that it wasn't a deadline.

Marvin Mercer stated that the only way that the Bankruptcy Court would agree to an extension was if a firm investor was on the horizon. It becomes a question of how fast the U.S. Trustee will file a motion to convert.

Dr. Clymer suggested that these prospective investors are called well in advance to get a feel for their level of interest--and not wait for them to drop an offer on somebody's desk.

Sean Egan stated that Legg-Mason is keeping in close contact with the prospective investors. Everyone realizes the need to proceed quickly.

Mike Parker stated that he has been meeting with and conference calling prospective investors.

Jack Linton stated that in order to avoid communications difficulties, the Directors should be regularly updated as to Legg-Mason's progress.

8. After Sean Egan departed the meeting, Marvin Mercer began his report to the Directors, updating them on the prospective investors that he had lined up.

Marvin Mercer stated that he has personally contacted nine or ten prospective investors. Of those, one investor had been a former client of Legg-Mason's. However, Marvin stated that it was his contact who brought the prospective investor to R.B.I.

his prospective investor wants to know if it can run half-hour "informercials" from 12:00 midnight to 6:00 AM on a daily basis. This ability to run the informercials would make the station more attractive to them.

Obviously, this sort of arrangement would need approval from Home Shopping Network. Mike Parker stated that he didn't think HSN would be opposed to running infomercials in the overnights. However, he stated that the Network would not go for 2-minute Per Inquiries during the regularly scheduled HSN breaks.

Jack Linton asked why people would bother to watch when they were expecting to see Home Shopping Network.

Mike Parker stated that the prospective investors left the meeting and met with Alan Dubroff. They asked him if the bankruptcy laws would allow them to trade their shares for R.B.I.'s.

Mr. Dubroff informed them that they would be able to. If it is lettered stock, however, the Shareholders wouldn't be able to trade it for two years. They stated that they would not do the deal unless Mike Parker stayed.

Jack questioned why they would need anyone other than an Engineer run the station.

Mike Parker stated that renegotiating the Home Shopping Network contract is important, as is relocating the tower. They're not in the business of broadcast television, and they need someone who is.

Marvin Mercer stated that they can go two ways with Mike Parker, they need Mike Parker.

Jack Linton questioned how the deal can fly with lettered credit when there's no money.

Mike Parker stated that they will buy everyone out.

Dr. Clymer pointed out that they will have to pay the Bank off.

Mike Parker stated that this company is big, they can afford to buy out whomever they need to.

Marvin Mercer stated that it would be far better than having nothing.

Mike Parker added that they don't want partners.

Jack Linton asked how they felt about Minority Stockholders.

Dr. Clymer stated that it will be a mixture of both. They don't want a selling frenzy that would bring the price down. Dr. Clymer suggested a combination of lettered and tradable stock.

At this point, Mike Parker gave the Directors an update as to alternative plans for funding the project.

Mike Parker stated that Doug Hawley has proposed acquiring the new tower site and leasing it back to R.B.I. For this plan to work, R.B.I. needs \$750,000.00 in cash. Here's how it would break down under this plan:

- \*\$500,000.00 would go to Meridian Bank
- \*\$100,000.00 would go to Administrative Creditors
- \*\$150,000.00 would go for other expenses

Mike Parker suggests paying \$.50 on the dollar to other creditors, with the existing Shareholders acquiring pro-rated interest.

Irv Cohen would want control. Mike Parker informed Dr. Aurandt of this proposal on February 6, 1991.

Dr. Aurandt resigned as President and C.E.O. of R.B.I., effective immediately. His current salary will be received for six months following effective date. Mike Parker waived all claims with Trading Broadcasting, Inc. and Henry N. Aurandt, M.D. from the beginning of their association until today.

Partel, Inc.'s contract was ammended to extend the period to get R.B.I. out of Chapter 11 from June 1, 1991 to December 31, 1991.

Mike Parker was elected the President and C.E.O. of R.B.I by unanimous vote of all of the Directors.

Henry N. Aurandt, M.D. agreed not to communicate with Judith M. Parker, her attorney, or anyone connected with her without a legally enforceable subpoena.

No Officer or Director will communicate on matters which are before the Board of Directors except the C.E.O., or those authorized by Mike Parker or the Board.

Marvin Mercer will file a proof claims for Henry N. Aurandt, M.D. on founders shares and \$100,000.00.

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.